

FILED/EFFECTIVE

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ARTICLES OF MERGER MERGING

BILYARA FARMS, INC. (an Idaho corporation)

WITH AND INTO

PANIOLO PARDNERS, INC. (a California corporation)

It is hereby certified that:

- (1) The constituent business corporations participating in the merger are:
 - (a) Bilyara Farms, Inc. ("BFI"), which is incorporated under the laws of the State of Idaho; and
 - (b) Paniolo Pardners, Inc. ("PPI"), which is incorporated under the laws of the State of California.
- (2) The Agreement and Plan of Merger (the "Plan of Merger") attached hereto as Exhibit "A" has been adopted and approved by each of BFI in accordance with the laws of the State of Idaho and by PPI in accordance with the laws of the State of California.
- (3) There are currently 1,000 shares of common stock of BFI issued and outstanding and 1,000 votes were entitled to be cast on the Plan of Merger. All such 1,000 shares voted for the Plan of Merger (no shares voted against the Plan of Merger).
- (4) There are currently 2,481 shares of common stock of PPI issued and outstanding and 2,481 votes were entitled to be cast on the Plan of Merger. All such 2,481 shares voted for the Plan of Merger (no shares voted against the Plan of Merger).

IN WITNESS WHEREOF, Bilyara Farms, Inc., an Idaho corporation, and Paniolo Pardners, Inc., a California corporation have caused these Articles of Merger to be executed in their corporate names this 31 day of October, 2000.

BILYARA FARMS, INC.

An Idaho corporation

By:



IDAHO SECRETARY OF STATE

Robert Nelson

Title: President

11/07/2000 09:00
CK: 14566 CT: 19577 BH: 359530

1 @ 30.00 = 30.00 MERGER # 4
1 @ 20.00 = 20.00 EXPEDITE C # 5

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PANIOLO PARTNERS, INC.
A California corporation


By: 
 Robert Nelson
Title: President

EXHIBIT "A"
AGREEMENT AND PLAN OF MERGER

AGREEMENT AND PLAN OF MERGER

This Agreement and Plan of Merger is made as of October 31, 2000, between BILYARA FARMS, INC., an Idaho corporation (the "Disappearing Corporation") and PANIOLO PARDNERS, INC., a California corporation (the "Surviving Corporation"). (The corporations together are sometimes referred to below as the "Constituent Corporations.")

The Constituent Corporations agree as follows:

1. Disappearing Corporation is duly organized, existing and in good standing under the laws of the State of Idaho. It has 500,000 shares of authorized capital stock; 1,000 shares are issued and outstanding.

2. Surviving Corporation is duly organized, existing and in good standing under the laws of the State of California. It has 10,000 shares of authorized capital stock; 2,481 shares are issued and outstanding.

3. The Boards of Directors of the Constituent Corporations deem it in the best interests of the corporations and their shareholders that Disappearing Corporation be merged with Surviving Corporation in accordance with California Corporations Code Section 1100 et seq. The Boards hereby adopt on behalf of their corporations the plan of reorganization set forth in this Agreement of Merger.

4. Merger: Disappearing Corporation shall be merged with Surviving Corporation, which shall survive the merger. Disappearing Corporation's separate existence shall cease on the effective date of the merger. Without any other transfer or documentation, on the effective date of the merger Successor Corporation shall (i) succeed to all of Disappearing Corporation's rights and property; and (ii) be subject to all Disappearing Corporation's liabilities and obligations.

Notwithstanding the above, after the effective date the Surviving Corporation's proper officers and directors may perform any acts necessary or desirable to vest or confirm Surviving Corporation's possession of and title to any property or rights of Disappearing Corporation, or otherwise carry out this Agreement's purposes. This includes execution and delivery of deeds, assurances, assignments or other instruments.

5. Conversion of Shares: By virtue of the merger and without any action by any shareholder, upon the effective date each share of capital stock of Disappearing Corporation outstanding immediately prior to the effective date shall be converted into one (1) fully paid and nonassessable share of Surviving Corporation's common stock.

No fractional shares of Surviving Corporation shall be issued. Any Disappearing Corporation shareholder entitled to .50 or more of a share of Surviving Corporation stock shall receive the next higher number of whole shares; and any such shareholder entitled to less than .50 of a share of Surviving Corporation stock shall receive the next lower number of shares.

The shares of Surviving Corporation outstanding immediately prior to the merger shall not be changed by reason of the merger.

6. Stock Certificates: On or after the effective date, all of Disappearing Corporation's outstanding stock certificates shall be deemed to represent ownership of Surviving Corporation's shares, into which Disappearing Corporation's shares have been converted (as provided above). The holders of such certificates must surrender them to the Surviving Corporation in whatever manner it may legally require. On receipt thereof, Surviving Corporation shall issue and exchange certificates for shares of its common stock representing the number of shares to which the holder is entitled as provided above.

Pending the surrender and exchange of certificates, the registered owner on Disappearing Corporation's books of any outstanding stock certificate shall be entitled to exercise all voting and other rights, and receive any dividends payable, with respect to the shares of Surviving Corporation represented by the certificates (as provided above).

7. Changes in Articles of Incorporation and Bylaws: Surviving Corporation's Articles of Incorporation as amended and in effect on the effective date shall continue to be its Articles of Incorporation without change as a result of the merger.

Surviving Corporation's Bylaws as amended and in effect on the effective date shall continue to be its Bylaws without change as a result of the merger:

8. Officers and Directors: Surviving Corporation's officers and directors shall continue and remain as such after the effective date for the full unexpired terms of their respective offices, or until their successors have been duly elected or appointed and qualified.

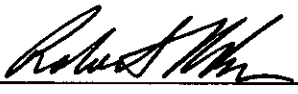
9. Effective Date: Provided this Agreement is not abandoned, the effective date of merger shall be at the close of business on the date when this Agreement of Merger with officers' certificates attached is duly filed in the office of the California Secretary of State in accordance with California Corporations Code Section 1103.


10. Abandonment of Merger: Any time prior to the effective date, this merger may be abandoned without further obligation or liability by action of the board of directors of either of the Constituent Corporations, notwithstanding approval of the merger by their shareholders.

11. Counterparts: This Agreement of Merger may be executed in any number of counterparts, each of which shall constitute an original instrument.

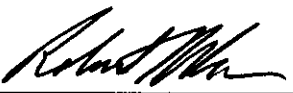
IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their respective duly authorized officers, as of the date first written above.


BILYARA FARMS, INC.
a Idaho corporation

By: 
Robert Nelson
Its: President

By: 
Robert Nelson
Its: Secretary

PANIOLO PARDNERS, INC.
a California corporation

By: 
Robert Nelson
Its: President

By: 
Robert Nelson
Its: Secretary